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PROGRAMME

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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF UNION OF MYANMAR

IPF:(1987-91) $92 500 000
(MYA/84/005) - Seed Development (Phase II)
(Supplementary Assistance)

Date of approval by the AC:[1/]	9 October 1991
Expected duration:	Six Years
Proposed executing agency:	IBRD
Government implementing agency:	Ministry of Agriculture and Forestry
Proposed UNDP contribution:	$1 264 400 Source of funds: IPF
Previous UNDP contribution:	$2 249 800
Total UNDP budget:	$3 514 200

Project background

Traditionally, rice is Myanmar's major agriculture and export commodity as well as a significant source of Government revenue. Some 12.5 million acres of paddy are sown annually, representing over 50 per cent of gross cultivated area. In 1977/78, the Government initiated a major effort to promote rice production through the introduction of the " high yielding variety (HYV) Programme ". At the same time, efforts were made to increase the area for growing medium staple cotton in upper Myanmar Dry Zone to supply the needs of national textile mills and increase yields through research and seed multiplication work. These efforts resulted in 50 per cent increase of national rice production between 1978-1985 and 50 per cent increase in medium-staple cotton yields around the same time. Pulses, another prominent crop in the agriculture sector account for seven per cent of total export trade (1982/83), and rank third among agricultural products. It is also a major source of protein for rural population. However, average yields are low due to inherent characteristics of available varieties and narrow range of genetic variation in indigenous cultivators. The success of the programmes in rice and cotton and the need to develop higher yielding varieties for pulses and other economically important crops called for concentrated effort to meet the expanded demand for quality seeds.

This project approved in 1985 was designed to give technical and institutional support to the World Bank/IDA credit of $14.628 million for plant/capital investment for Seed Development which include the establishment of nine seed processing and storage plants, improvements of 12 existing seed farms, and strengthening of five farms for applied research and plant breeding. The overall objective of the UNDP TA was to assist with the development of a modest but well-focussed seed programme and improve Myanmar's applied research capabilities for high quality and new varieties of seeds for seven economically important

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[1/] **This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.**

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crops i.e. paddy, cotton, butter beans, chick pea, mung beans, pigeon pea and groundnuts.

To date, the project has strengthened the national capabilities in the fields of research and management, plant breeding, seed production, processing and storage, and farm mechanization. However, due to the disturbances in 1988 and the suspension of project activities for nine months before resumption, an extension of the project is required to complete planned project workplan and reflect new priorities/activities as a result of changes introduced in the country i.e. market economy after two decades of central planning.

A World Bank/IDA mission together with the UNDP field office evaluated the overall programme in November 1990 and concluded that the original project concept was still valid and that the project was economically and financially viable. The Mission recommended a project extension of one year and additional 35 man-months of consultancy services and additional training activities in seed contract growing and seed processing to complete the programme.

Description of project

The long-term objectives of the project remain valid to:(a) strengthen and modernize existing seed units with technical expertise and management capability for rapid dissemination of seeds for new crop varieties; (b) develop plant breeding and applied research programme; and (c) establish an efficient seed multiplication programme and through increased commercial production increase the export of rice and pulses. The activities and workplan of the project will be adjusted to include 17,000 small farmers as contract seed growers and provision for extension services. Private sector (though currently in its infancy) involvement for commercial production and possible exports of crops will be explored.

Project activities will include: (a) readjusting the scope of future work according to the new time frame and availability of funds for a timely and successful completion of the project; (b) ensuring continued co-ordination of project activities such as design specification, operation and management of seed processing plants; and (c) strengthening capacities and providing required training in seed processing and technology, seed contract growing and quality control.

Inputs

UNDP will provide 21 man-months for a team leader/seed processing expert, 12 man-months for a farm mechanization expert, two man-months for electrical engineering; 40 fellowships in seed-related production as well as group training; a vehicle, spare parts; and miscellaneous costs.

Financial data

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Subcontract	785 400
Training	458 000
Equipment	15 000
Miscellaneous	6 000
Total	1 264 400

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